U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

Date: April 7, 2020

To: [redacted], Chief Financial Officer

From: [redacted], Director, Office of Grants Management

Subject: Authorization for Payments from RER Solutions

Ref: (a) OGC memo of 3 April 2020

In accordance with reference (a), this guidance initiates the authorization for payments from RER Solutions to the Office of the Chief Financial Officer for disbursement to the Bureau of Fiscal Service, U.S. Treasury.

On March 27th, 2020, President Trump signed Pub. L. No. 116-136, the Coronavirus Aid, Relief, and Economic Security (CARES) Act that includes authority under § 1110 for Emergency Economic Injury Disaster Loan (EIDL) Advances up to $10,000.

VERIFICATION.—Before disbursing amounts under this subsection, the Administrator shall verify that the applicant is an eligible entity by accepting a self-certification from the applicant under penalty of perjury pursuant to section 1746 of title 28 United States Code.

AMOUNT.—The amount of an Advance provided under this subsection shall be not more than $10,000.

Verification

The Small Business Administration has contracted with RER Solutions for identity verification, data validation, and fraud detection.

1. EIDL applications collected through the Rapid Intake COVID-19 EIDL web form will be forwarded for processing to Rapid Decision automated processing platform configured and programmed in accordance with SBA Office of the Chief Financial Officer requirements as follows:
2. **Remove duplicates**
3. **Remove applicants previously funded under COVID-19 EIDL in the Disaster Credit Management System (DCMS)**
4. Perform fraud checks
5. Calculate eligible Advance amount based on logic provided by SBA
6. Applications that are not duplicates and not excluded based on fraud rules will be periodically placed in a batch file including fields required for processing through the Office of the Chief Financial Officer
7. Each batch file shall include batch number/code in the file name
8. Each batch file is sent to the Office of the Chief Financial Officer for funds check and creation of a Payment Automation Manager (PAM)-compliant file.

Fraud Check Indicators

If any 1 of the BOLDED fraud indicators in the verification process are triggered or any 3 BOLDED OR NON-BOLD indicators are triggered, the application will not be included in a batch file.

1. **Large number of applications with other lenders** (large scale)

2. Large number of applications for this program (several in succession)
3. **Owner information failed validation** (information does not match, person is listed as deceased, etc.)
4. Client location is international
5. **Digital identity fraud suspicion/suspicious online behavior** – the data has been used fraudulently online
6. VOIP phone number
7. Phone number is not associated with business or owner
8. Email has not passed validation
9. **Invalid bank account number and/or routing number**
10. **Bank account ownership does not match business**
11. Unable to confirm business registration

Any approved disbursements where the bank account number and routing number are valid and indicate that the account can receive a deposit but the EIN/SSN can't be authenticated are authorized. A report for awards at the $10,000 value shall be provided to the Office of Grants Management within 60 days after the EIDL Advance program has completed its last disbursement.

Payment Amount

The total disbursement amount for each record included in the payment file is calculated based on the following logic:

If number of employees is 0 then amount is $1,000

Otherwise if number of employees is greater than 10 then amount is $10,000

Otherwise amount is number of employees times $1,000

The total disbursement amount for each Advance file is the sum of the individual disbursements amount for each record in the file

Based on the procedures outlined above, and in accordance with § 1110 of Pub. L. No. 116-136 – (the CARES Act) and the streamlined procedures noted under 2 C.F.R. § 200.200(b), I authorize the disbursement of all records verified, validated, approved and from RER Solutions to the Office of the Chief Financial Officer.

X [redacted]

[redacted], Director,
Office of Grants Management

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